

**MINUTES OF THE PUBLIC HEARING HELD BEFORE THE
COMMON COUNCIL OF THE CITY OF JASPER, INDIANA
APRIL 19, 2006**

A public hearing was held at 6:45 p.m. on Wednesday, April 19, 2006 in the Council Chambers of City Hall, 610 Main Street, Jasper, Indiana.

Roll Call.

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| Mayor William J. Schmitt | Present |
| Councilmembers | |
| John Schroeder | Present |
| Bradley Seger | Present |
| Thomas Schmidt | Present |
| Ambrose 'Butch' Schitter | Present |
| Renee Kabrick | Present |
| Randall Buchta | Absent |
| Raymond Howard | Present |
| City Attorney Sandra Hemmerlein | Present |
| Clerk-Treasurer Juanita S. Boehm | Present |

Clerk-Treasurer Juanita Boehm announced that in order to have a quorum for the hearing, a majority of the members of the legislative body must be in attendance. Six of the seven members were in attendance; therefore, there was a quorum for the hearing.

The purpose of the hearing was to receive public comments regarding Ordinance No. 2006-10, wastewater rate adjustments.

Notice appeared in the Herald on April 5, 2006. Notice was also posted at city hall, mailed to certain ratepayers, and faxed to the news media.

Mayor Schmitt then asked for public comment and if there were any remonstrators present.

Dean Rogers, H. J. Umbaugh & Associates, the accountants that prepared the bi-annual review for the wastewater rates, gave a summary of the 2005 Wastewater Rate Study. Mr. Rogers gave an analysis of the Rates and Cost of Service. He said that total requirements to satisfy operating expenses, debt service, and depreciation amount to \$3,077,222 and projected revenues amount to \$3,047,768, which constitutes a shortfall of \$29,454. He said that this by itself probably would not necessitate a rate adjustment.

Mr. Rogers also explained that the Cost of Service has two parts to it, Base Rate and Flow Charge and that the analysis shows that these two (2) charges are out of alignment, that the Base Rate is low and the Flow Rate is high and because of this analysis, a Rate Adjustment is recommended in order to generate sufficient revenues to cover the appropriate fixed and variable costs. He said the cost for the Average User, using 5,000 gallons per month would increase by one cent per month and that customers using less than average would see slightly higher bills and those using more than average would see slightly lower bills.

Mr. Rogers also summarized the Eastown/Southwest Sewer Project Debt Service. He said that the original Monthly Debt Service Charge was calculated at \$29.95 spread over 241 participants. He said additional connections have increased the number of participants to 250 and the Debt Service Reserve Funding Requirement would be fulfilled on June 30, 2006. He said the Monthly Debt Service Charge should be reduced from \$29.95 to \$23.95 starting on July 1, 2006. He said this reduction is due to (1) the funding of the Reserve Requirement and (2) the addition of new participants to the system.

In his summary and recommendation, Mr. Rogers stated that the needed adjustment and re-alignment of the Rates was delayed by six months to coincide with the funding of the Debt Service Reserve Fund and that the fund would be fully funded on June 30, 2006. He further stated that the recommendation of H. J. Umbaugh & Associates was to adjust both the Rates and the Debt Service Fee to be effective with the first billing of July 2006.

There were no other comments and no remonstrators present.

On **motion** made by Councilmember Bradley Seger, seconded by Councilmember Thomas Schmidt, and agreed by a 6-0 vote, the public hearing was closed at 6:52 p.m.

William J. Schmitt, Mayor
Presiding Officer

Attest:

Juanita S. Boehm, Clerk-Treasurer

Cynthia Kluemper, Recording Secretary